V. M. SALGAOCAR INSTITUTE
of
INTERNATIONAL HOSPITALITY EDUCATION

B.Sc. International Hospitality Management

Type: Semester End Assessment (SEA) Date: 10/04/2025

Batch 2023-26 and Term: 4 Total Marks: 25 Time Duration: 02 Hours

Course Name: Financial Accounting Course Code: IHOH106

Faculty: CMA (Ms.) Shameem Memon

This paper contains 03 pages in addition to the cover page.

Full Name of the Student: ______________________________

Permanent Registration Number: ____________________ Class: ______________

Marks Obtained: __________ Faculty Signature: _________ Invigilator Signature: _________

Main Answer sheet	Number of Supplements	Total number of Answer sheets
01		

- Carefully read each question at the outset of the paper. All queries must be addressed to the faculty within the first 10 minutes of the examination.
- Students are expected to maintain complete silence in the examination hall and should not interact or communicate with their peers.
- Students will carry only their essential stationery like pens, pencils, ruler and simple calculators into the examination hall.
- Bags, eatables, drinks, etc. will not be allowed inside the hall with the exception of a bottle of water.
- Cell phones, electronic data banks, scientific calculators and smart/beeping watches are prohibited in the examination hall.
- Students will answer the examination with only blue/ black ball point pens unless informed differently by faculty. Avoid usage of green or red ink pens on the answer sheet.
- Dictionaries will not be allowed into examination hall unless informed differently by faculty.

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Answer the following questions

Q.1. From the following Balance Sheets of Sunstar Hotel Ltd. Prepare a common-size balance Sheet. **(07 Marks)**

Particulars	Note No.	31.3.2024 (Amount in Rs.)	31.3.2025 (Amount in Rs.)
Equity and Liabilities:			
Shareholders' Funds:			
Share Capital		14,00,000	23,00,000
Reserves and Surplus		80,000	98,000
Non-Current Liabilities:			
Long Term Borrowings		6,17,000	7,16,000
Long Term Provisions		80,000	85,000
Current Liabilities:			
Short Term Borrowings		90,000	1,09,000
Total		**22,67,000**	**33,08,000**
Assets:			
Non-Current Assets:			
Fixed Assets:			
Tangible Assets		11,00,000	21,00,000
Intangible Assets		1,90,000	3,30,000
Non-Current Investments		2,90,000	1,85,000
Current Assets:			
Inventories		1,45,000	2,37,000
Trade Receivables		3,85,000	2,98,000
Cash and Cash Equivalents		1,57,000	1,58,000
Total		**22,67,000**	**33,08,000**

Q.2. From the following Balance Sheet of Hawaee Ltd. and additional information

Calculate the following ratios: **(05 Marks)**

1) Current Ratio
2) Acid Test Ratio
3) Proprietary Ratio
4) Debt to Equity Ratio
5) Earnings Per Share

The profit available to equity shareholders is Rs. 200,000. The face value per equity share is Rs. 100

Balance Sheet as on 31st March, 2025

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Equity Share Capital	8,30,000	Land and Building	13,70,000
Preference Share Capital	4,40,000	Plant and Machinery	8,70,000
Profit and Loss A/c	3,90,000	Stock	1,07,000
Loan from Bank	6,00,000	Debtors	2,60,000
Sundry Creditors	4,60,000	Bills Receivables	1,83,000
Bank Overdraft	1,90,000	Cash in Hand	2,00,000
Bills Payables	90,000	Underwriting Commission	10,000
Total	**30,00,000**	**Total**	**30,00,000**

Q.3. From the following extract of the ledger balances and additional information of Best Ltd. for the year ended 31.3.2025, you are required to prepare Income Statement as per Schedule III of Indian Companies Act, 2013. **(08 marks)**

Particulars	Amount (Rs.)
Cost of materials consumed	8,68,000
Opening stock of finished goods	20,40,000
Salaries	7,68,000
Interest paid on Long term borrowings	40,500
Office Charges	28,500
Dividend Received	81,000
Sales	66,00,000
Rent received	75,000
Depreciation on Building	1,08,000
Sales return	60,000
Income tax paid	1,80,000
Insurance	40,200
Advertisement expenses	28,200
Printing and stationery charges	1,26,000
Telephone charges	3,72,000
Employees welfare expenses	46,800
Amortization of Patent	1,50,000
Patent	6,00,000

Additional information: Closing stock of finished goods is Rs. 16,50,000

Q. 4. a) Categories the following items of cash flows under Cash flow from Operating Activities, Investing Activities and Financing Activities. **(03 Marks)**

i) Commission Received

ii) Interest Paid

iii) Purchase of Machinery

iv) Redemption of Debentures

v) Issue of Equity Share Capital

vi) Issue of 9% Bonds

b) Identify the hidden accounting concept in the following statements and explain the same. **(02 Marks)**

i) Mr. Jatin is working in the accounts department of a 5-star hotel. He is following the Fixed Instalment Method of depreciation for more than 10 years for charging depreciation on the hotel furniture.

ii) Mr. Ajay an accounts manager prepares financial statements for 12 months.

iii) Ms. Roshan has gifted a laptop to her son from the bank account of her business. The accountant has recorded those expenses as drawings.

iv) Chef Chilly has joined a five-star hotel in Mumbai, his experience and skills will get good business to the hotel but the accounts manager of the hotel has not recorded the same in the books of accounts.

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